

CHEMLEASE WORLDWIDE, INC.

RECORDATION NO. 11241 Filed 1425

DEC 26 1979-2 30 PM

RECORDATION NO. 10774-A Filed 1425

DEC 26 1979-2 30 PM

INTERSTATE COMMERCE COMMISSION

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December 18, 1979

INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
Room 2303

Constitution Avenue at 12th Street, N.W.
Washington, D. C. 20023

Attention: Mrs. Lee

11241

9-360A093

DEC 26 1979-2 30 PM

Date DEC 26 1979

Fee \$ 260.00

INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

Re: Filing of documents relating to Equipment Lease
dated as of August 1, 1979 between Refco Transport
Equipment, Inc., Lessor, and Brae Corporation, Lessee

Dear Mrs. Lee:

Enclosed for filing under Section 20c of the Interstate
Commerce Act are the following documents:

(1) Release of Security Agreement between Refco Transport
Equipment, Inc. and FMC Corporation, recorded with the Interstate
Commerce Commission on August 29, 1979, at 3:45 P.M., recorda-
tion No. 10774. is under 10774

(2) Two certified Lease Agreements between Brae Corpora-
tion, Lessor, and the Virginia & Maryland Railroad Company,
Lessee, dated December 29, 1978.

(3) Two certified Lease Agreements between Brae Corporation
and Helena Southwestern Railroad Company, Lessee, dated October 31,
1978.

(4) Two original Lease Agreements between Refco Transport
Equipment, Inc., Lessor, and Brae Corporation, Lessee, dated
August 1, 1979.

(5) Two Security Agreements between ChemLease, Inc.,
as Lender, and Refco Transport Equipment, Inc., as Borrower,
dated December 4, 1979, granting a security interest to Chem-
Lease, Inc. in 50 70-ton XM Boxcars, Road Numbers HSW 1001-1050,
inclusive, and 50 70-ton XM Boxcars, Road Numbers VAMD 3000-3049,
inclusive.

(6) Two Assignments of Security Agreement between Chem-
Lease, Inc. and ChemLease Worldwide, Inc., dated December 18,
1979, granting a security interest to ChemLease Worldwide, Inc.

*Original documents
for 6 documents
11/26/79*

Interstate Commerce Commission

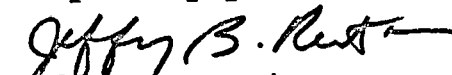
December 18, 1979

in 50 70-ton XM Boxcars, Road Numbers HSW 1001-1050, inclusive,
and 50 70-ton XM Boxcars, Road Numbers VAMD 3000-3049, inclusive.

I enclose a check in the amount of \$160.00 to cover
the cost of this filing, made payable to the Interstate Commerce
Commission.

Please return the original documents and confirmation
letter to the undersigned.

Very truly yours,



Jeffrey B. Reitman,
Vice President and Secretary

JBR:dd
encs.

CHEMLEASE, INC.

RECORDATION NO. 11241-C Filed 1425

DEC 26 1979-2 3 PM

CHARGE

NOTE

SECURITY AGREEMENT
(LEASE FINANCING)

INTERSTATE COMMERCE COMMISSION

Control No. 8673M37

FOR VALUE RECEIVED, the undersigned, and each of them, if more than one (hereinafter called "Debtor"), jointly and severally, promise(s) to pay to CHEMLEASE, INC. (hereinafter called "ChemLease") or order, at any of its offices in New York City, N.Y., the Total Amount of this note in equal successive monthly payments of a number, in an amount, and commencing on the date stated herein until payment in full of the Total Amount. The first or last payments may include any odd amount.

If any of said instalments, the maturity of which has not been accelerated as hereinafter provided, shall become due and remain unpaid for a period in excess of ten days thereafter, the Debtor further promises to pay immediately to the holder hereof a fine of five cents per dollar, not exceeding \$25, on each such unpaid instalment.

Debtor hereby gives to ChemLease a lien on, security interest in and right of set-off of all monies, securities and other property of the Debtor and the proceeds thereof, now or hereafter delivered to, permitted to remain with or in transit in any manner to ChemLease, its correspondents or its agents from or for the Debtor, whether for safekeeping, custody, pledge, transmission, collection or otherwise or coming into possession of ChemLease in any way, and also, any balance of any deposit accounts and credits of the Debtor with, and any and all claims of the Debtor against, ChemLease at any time existing (all of the foregoing, together with the property listed below, including the security agreement and assignment of monies hereinafter described, are hereinafter collectively called "Collateral"), as collateral security for the payment of this note and of all other liabilities and obligations now or hereafter owed by the Debtor to ChemLease, contracted with or acquired by ChemLease, whether joint, several, absolute, contingent, secured, unsecured, matured or unmatured (all of which are hereinafter collectively called "Liabilities") hereby authorizing ChemLease at any time or times, without prior notice, to apply such balances, credits or claims, or any part thereof, to such Liabilities in such amounts as it may select, whether contingent, unmatured or otherwise and whether the collateral security therefor is deemed adequate or not.

As security therefor, Debtor hereby gives the Secured Party a security interest in the following property owned by Debtor or to be purchased by Debtor with the proceeds of the loan evidenced by this note, under the terms of the Security Agreement on the reverse side hereof:

* This Note is limited to the extent of the Addendum dated December 4, 1979, attached hereto and made a part hereof.

** See attached Payment Schedule and Equipment Schedule A.

Fifty (50) 70 Ton XM Boxcars, Car Numbers HSW1001-1050, inclusive
Fifty (50) 70 Ton XM Boxcars, Car Numbers ~~XXX~~3000-3049, inclusive

VAMD

to be kept at. Various Locations

(address)

(City or Town)

(State)

and hereby assigns to Secured Party all of the monies due and to become due Debtor under a lease of said property between Debtor and Brae Corporation

dated August 1, 1979 and all of the Debtor's rights but not obligations under said lease.

If Debtor shall fail to pay any instalment of this note when due; or to pay any Liabilities; or to perform any agreement herein or in any other agreement with ChemLease or in the Security Agreement referred to above or other instrument delivered to ChemLease (and the opinion of ChemLease as to the existence of such failure of performance shall be conclusive); or, if the loan evidenced by the note was made for the purpose of improving real property, the Debtor shall thereafter sell, mortgage or otherwise encumber said property; or, if any representation or warranty by Debtor to ChemLease orally or in any application, financial statement, instrument or other agreement, be materially untrue; or, if in the opinion of ChemLease, and the opinion of ChemLease shall be conclusive, the market for, or value of, the Collateral shall have declined, making a realization, sale or disposition thereof necessary for ChemLease's protection, then and in any such event, ChemLease, at its option, may declare this note and any other Liabilities immediately due and payable by notation on its records to such effect without notice or demand.

If any of the following events should occur with respect to any Debtor: Dissolution; the complete or partial liquidation or suspension of Debtor's usual business; filing of a voluntary or involuntary petition under any of the provisions of the Bankruptcy Act or amendments thereto; application for or the appointment of a receiver; assignment for the benefit of any creditors; entry of judgment or issuance of a warrant of attachment or execution; filing or issuance of a notice of a lien, warrant for distraint or notice of levy for taxes; appointment of a committee of any creditors or a liquidating agent; calling of a meeting of any creditors; offer of composition or extension to creditors; execution of a deed of trust; issuance of an injunction; making or sending notice of an intended bulk sale; then and in any such event, this note and any other Liabilities shall immediately be due and payable, without notice or demand. Acceptance of payments of arrears shall not waive or affect any prior acceleration of this note.

Upon the happening of any of the events specified in the two preceding paragraphs, ChemLease, without demand for performance, may, forthwith or at any time or times thereafter, realize upon; dispose of, apply or sell all or any part of the Collateral. ChemLease may apply the net proceeds of such realization, disposal, application or sale to the payment of said Liabilities in such order as ChemLease may elect and the Debtor shall remain liable for any deficiency.

Debtor agrees that if ChemLease institutes action to enforce or collect this note or any other Liabilities for non-payment at maturity, expressed or declared, the actual expenditures for such action, including an attorney's fee of 15% of the principal and interest due on the note, shall be added thereto and will be paid by Debtor.

The Debtor hereby waives presentment, demand for payment, notice of dishonor and any or all other notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this note and consents to any and all delays, extensions of time, renewals, releases of any party to this note and of any available security to any party to this note or to the actual owner thereof and any and all waivers or modifications that may be granted or consented to by ChemLease with regard to the time of payment or with respect to any other provisions of this note and agrees that no such action or failure to act on the part of ChemLease shall be construed as a waiver by ChemLease of, or otherwise affect, its right to avail itself of any remedy with respect hereto. Debtor does hereby waive a trial by jury and the right to interpose any counterclaim or offset of any nature and description in any litigation between the Debtor and ChemLease with respect to this note, the Collateral, any claim arising out of, relating to or connected with the loan evidenced by this note or any security therefor, and agrees that the venue of any such litigation shall be New York County. The laws of New York shall apply to this agreement.

ChemLease may transfer this note and may deliver all or any of the Collateral, then held as security hereunder, to the transferee(s) who shall thereupon become vested with all the powers and rights herein given to ChemLease in respect thereto and ChemLease shall thereafter be forever relieved and fully discharged from any liability or responsibility in the matter.

This note may not be changed, modified or discharged, in whole or in part and no right or remedy of ChemLease hereunder or under any other agreement may be waived except by written agreement signed by ChemLease and any such waiver shall be effective only in the specific instance for which given. The terms and provisions of this note shall survive the payment, renewal, extension, cancellation or surrender of this note.

THIS NOTE-SECURITY AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS ON THE REVERSE HEREOF.

Accepted,

Refco Transport Equipment, Inc.

CHEMLEASE, INC.

By

Vice President

Title

By

Authorized Signature

John L. Lewis,
Senior Vice President

Title

242 (3-76)

SECURITY AGREEMENT REFERRED TO ON REVERSE SIDE HEREOF.

Debtor covenants and agrees with CHEMLEASE, INC. (hereinafter referred to as "Secured Party"), to forever defend said property against any claim of any interest therein; to keep the property in good repair without any cost or liability to the Secured Party; that all accessions which are or become attached to or a part of the property are or shall become subject to the terms of this Security Agreement; not to use the property in violation of any law; not to sell, assign, transfer, create a security interest in, mortgage, or in any way encumber the property nor secrete, abandon or remove or attempt to remove it from its present location without the written consent of the Secured Party; to allow Secured Party and its representatives free access and right of inspection at all times and, in the event of loss or damage to the property, to immediately send written notice thereof to the Secured Party; to perform or comply with the terms of the lease covering the premises wherein the property is located and any orders, ordinances or laws of any governmental body or agency concerning such premises or the conduct of business thereon; to keep the property insured against loss by fire, theft and casualty by insurers, and in form, amount and coverage, satisfactory to Secured Party (and Debtor appoints Secured Party Debtor's attorney in fact to endorse any loss payment or returned premium check and to make, settle and release any claim under such insurance); to assign and deliver the policies or certificates thereof to Secured Party as additional security for the Liabilities, in default of which Secured Party may, at its option, effect such insurance; to pay all taxes, assessments, and charges levied on said property or for the use, storage, maintenance or repair thereof, and upon Debtor's failure to do so, Secured Party may, at its option, pay them. The premiums, taxes, assessments and charges so paid shall be a part of the Liabilities secured by the within Security Agreement and shall be payable on demand, with interest at the legal rate.

Debtor further covenants and agrees that, in case default shall occur in the payment of said Liabilities or any part thereof or a default or breach occur with respect to any of the terms of this Security Agreement or the Note given in connection herewith, all of said Liabilities shall become immediately due and payable, without notice or demand, and it shall be then lawful for, and Debtor hereby authorizes and empowers Secured Party, with the aid and assistance of any persons, to enter upon the premises, or such other place as the property may be found and take possession and carry away the property without process of law, and, at any time or times, to dispose of the same, pay all charges and expenses incurred by the Secured Party in connection with or incidental to the repossession, any attempted repossession, holding, storage, preparation for sale, and the sale including a reasonable attorney's fee and legal expenses which are agreed to be 15% of the amount recovered, and then to pay said Liabilities in such order and amount as Secured Party may elect, with interest at the legal rate, paying the surplus, if any, to Debtor who shall remain liable for any deficiency with legal interest, all to the extent permitted by and in accordance with law. Debtor waives a trial by jury and the right to interpose any counterclaim or offset of any nature or description in any litigation between Debtor and Secured Party with respect to this Security Agreement, any claim arising out of, relating to or connected with the loan and Note secured hereby, the property or the repossession thereof. Secured Party shall not by any act, delay or omission or otherwise be deemed to have waived any right or remedy on any future occasion. Debtor represents and warrants that property is free and clear of all security interests, liens, claims of interest therein and encumbrances and that they are not being purchased subject to a purchase money security interest or conditional sales or other title retention agreement.

The Secured Party is authorized to file a financing statement signed only by the Secured Party with respect to this Security Agreement in accordance with the Uniform Commercial Code or signed by the Secured Party as attorney in fact for the Debtor.

Until default hereunder or under said Note, Debtor shall have the quiet and peaceable possession of the property and the full and free enjoyment of the same. The property is and shall remain personalty during the term of this Security Agreement regardless of its affixation to realty. This agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto.

It is the intention of the parties that the provisions of the Note and this Security Agreement shall be in conformity with the laws of any state or territory wherein it may be sought to be enforced and, if it should appear that any of the provisions thereof are in conflict with any statute or rule of law of any such state or territory, then such provisions shall be deemed inoperative and null and void to the extent that they may conflict therewith and shall be deemed modified to conform with such statute or rule of law.

ADDENDUM TO THE NOTE/SECURITY AGREEMENT DATED December 4, 1979
BETWEEN CHEMLEASE, INC. ("ChemLease") AND REFCO TRANSPORT EQUIPMENT, INC.
("Borrower")

1. Assignment of Lease. To secure the payment of this Note to ChemLease and the performance by the Borrower of its other undertakings hereunder (all of which are hereinafter referred to collectively as the "Obligations"), the Borrower hereby sells, assigns, and transfers to ChemLease, its successors and assigns, (a) all its right, title and interest in the lease agreement dated August 1, 1979 between the Borrower, as Lessor, and Brae Corporation (the "Lessee"), as Lessee, and in all equipment schedules and supplements attached thereto (collectively, the "Lease"), together with all rentals and other monies coming due under the Lease (collectively, the "Lease Proceeds") and all rights, powers and remedies (but none of the duties or obligations, if any) of the Borrower under the Lease, including all rights of the Borrower to give and receive any notice, consent, waiver, demand or approval under or in respect of the Lease, to exercise any election or option thereunder or in respect thereof, to accept any surrender of any Property and to do all the other things which the Borrower is entitled to do under the Lease.

The Borrower hereby authorizes ChemLease to do every act and thing in the name of the Borrower or ChemLease or otherwise which ChemLease may deem advisable to enforce the terms of the Lease, and the Borrower hereby irrevocably appoints ChemLease its true and lawful attorney, with full power and authority in the name of the Borrower and with full power of substitution and revocation, to demand, enforce, collect, receive, receipt and give releases for any monies due or to become due under or arising out of the Lease, or any policy of insurance or indemnity relating to the Property or the Lease (including returns of premiums), to endorse all checks and other instruments, and to do and take all such other actions as are referred to in the preceding paragraph relating to the Lease or the Property, to file any claims or institute any proceedings for the foregoing which ChemLease deems necessary and to compromise any such demand, claim or action. The Borrower consents and agrees that any of the liabilities of the Lessee may be extended by ChemLease in whole or in part, without notice to and without affecting the liability of the Borrower hereunder. The Borrower agrees that, without the prior written consent of ChemLease it will not grant any consent under the Lease or agree to any release of any obligation of Lessee or any modification or termination thereof. The Borrower will perform all obligations of the Lessor under the Lease however arising, as if this Assignment had not been made.

2. Security Interest in Property, Etc. As additional security for the Borrower's Obligations, the Borrower hereby grants to ChemLease, its successors and assigns, a security interest in all the Property described on the face of the Note/Security Agreement, together with all increases, parts, fittings, accessories, equipment, special tools, renewals, substitutions, additions and replacements of all or any part thereof, and all proceeds of any of the foregoing (which, together with the Lease and the Lease Proceeds, may sometimes be referred to herein as the "Collateral"). The Borrower will not (a) permit any liens or security interests to attach to any of the Collateral unless the same are junior and subject and subordinate to the lien or security interest of ChemLease, (b) permit any of the Collateral to be levied upon under any legal process, or (c) permit anything to be done that may impair the value of any of the Collateral or the security intended to be afforded hereby.

3. Subordination. The Borrower hereby acknowledges and agrees that (a) its interests in the Collateral is subject and subordinate to the interest of ChemLease in the Collateral as provided for herein, (b) it will not dispose of all or any portion of the Collateral to any person who does not take subject and subordinate to the rights and interests of ChemLease as provided for herein and (c) it will execute and deliver to ChemLease, promptly upon its request, any and all instruments and documents, including, without limitation, financing statements, reasonably requested by ChemLease to further effect such subordination.

4. Representations and Warranties. The Borrower represents and warrants that (a) it has good and valid title to the Property, free and clear of all liens, claims and encumbrances except for the rights of the Lessee under the Lease and the liens, claims and encumbrances of ChemLease pursuant to this Agreement, (b) the Lease has been duly executed and delivered by each party thereto, constitutes the valid and binding obligation of each party thereto in accordance with its terms and (c) the Property has been delivered to and accepted by the Lessee.

5. Limited Recourse. It is agreed that Borrower's obligation hereunder shall be absolute, unconditional and with full recourse to Borrower to the extent and limitation as follows:

(a) Upon default at any time during the first 10 years of the Lease the Borrower shall be obligated to ChemLease up to a maximum amount of \$1,000,000, notwithstanding any rentals paid during said ten (10) year period; and

(b) Upon default as described in (a) above, the Borrower agrees to purchase from Chemical Bank, New York, New York a Certificate of Deposit, in the name of Chemical Bank, in the principal amount of One Million Dollars (\$1,000,000,) with interest at the prevailing rate; if, after 90 days, the default has not been cured, ChemLease shall apply the proceeds of said Certificate of Deposit (and any accrued interest thereon) to any balance due on the Note. If there is already a Certificate of Deposit escrowed as provided for in Section 4(i) of the Addendum to the Limited Guaranty, that Certificate of Deposit will be drawn on to satisfy the Note.

(c) upon the expiration of 10 years the Borrower is absolutely and unconditionally obligated to pay to ChemLease the balloon payment of \$1,554,000, and provided there has been no uncured breach of the Lease. Upon full payment of said balloon payment ChemLease shall reassign the Lease without recourse to the Borrower.

Except as specifically and expressly provided for above it is agreed that ChemLease's right to recovery upon any breach or default by the Borrower hereunder, ChemLease shall have recourse solely to the Collateral. ChemLease, for itself and its successors and assigns, hereby expressly waives any rights to enforce payment or performance hereunder by, or to recover damages for any breach or default hereunder of, the Borrower, or its successors and assigns, other than to proceed against the Collateral in the manner provided for above.

6. The Borrower on behalf of the Lessee may make two (2) payments at any time during the term of the Lease for the purpose of curing a default by Lessee under the Lease.

Refco Transport Equipment, Inc.

By: _____



Vice President

Title

PAYMENT SCHEDULE TO THAT NOTE/SECURITY AGREEMENT DATED December 4, 1979
BETWEEN CHEMLEASE, INC. ("ChemLease") AND REFCO TRANSPORT EQUIPMENT, INC.
("Borrower")

Borrower will make forty (40) equal consecutive quarterly payments, each in arrears, each equal to \$100,887.01 and a 41st payment of \$1,554,000 due concurrently with the 40th payment.

The following prepayment penalties shall apply:

Months 1 - 36	6.0% of the amount prepaid
Months 37 - 72	3.0% of the amount prepaid
Months 73 - 96	1.5% of the amount prepaid
Months 97 - 120	-0-

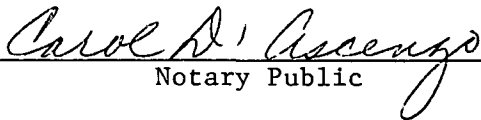
The prepayment penalty will be waived in the event of casualty loss.

Refco Transport Equipment, Inc.

By: RC Galt
Vice President Title

STATE OF ILLINOIS ,)
) ss.:
COUNTY OF COOK ,)

On this 4th day of December, 1979, before me personally appeared R. C. Gluth, to me personally known, who, being by me duly sworn, says that he is Vice President of Refco Transport Equipment, Inc., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

My Commission expires:

(Notarial Seal)

My Commission Expires November 7, 1983

STATE OF NEW YORK ,)
) ss.:
COUNTY OF NEW YORK ,)

On this 18th day of December 1979, before me personally appeared John L. Lewis, to me personally known, who, being by me duly sworn, says that he is a Sr. Vice President of , that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My Commission expires:

[Notarial Seal]

SCHEDULE A TO THE NOTE/SECURITY AGREEMENT DATED December 4, 1979
BETWEEN CHEMLEASE, INC. ("ChemLease") AND REFCO TRANSPORT EQUIPMENT, INC. ("Borrower")

<u>Number of Units</u>	<u>Road Numbers</u>	<u>Equipment Description</u>
Fifty (50)	HSW1001-1050, inclusive	70 Ton XM Boxcars
Fifty (50)	<i>reg</i> VAMD VMD 3000-3049, inclusive	70 Ton XM Boxcars

Refco Transport Equipment, Inc.

By:

RC Heath

Vice Pres

Title

Date: December 4, 1979